Alberta Economy

Indicators at a Glance

Economic Activity

The Alberta Activity Index jumped 2.2% in May, and has climbed 10% since its May 2016 low. In 2016, Alberta's real GDP by industry fell by 3.8%, the largest drop among the provinces for the second year in a row.

Population

Alberta's population was 4,291,980 as of April 1, 2017, an increase of 1.4% from the year prior. Canada's population grew 1.2% from a year ago.

Migration

Net migration to Alberta was 4,693 in the first quarter of 2017. During this time, Alberta welcomed 7,085 net international migrants. However, there was a net outflow of interprovincial migrants (-2,392), the sixth consecutive quarterly decline.

Employment[1]

Alberta lost 14,400 jobs in July, with losses in both part-time (-2,200) and full-time positions (-12,200). Employment increased 1.5% year-over-year (y/y).

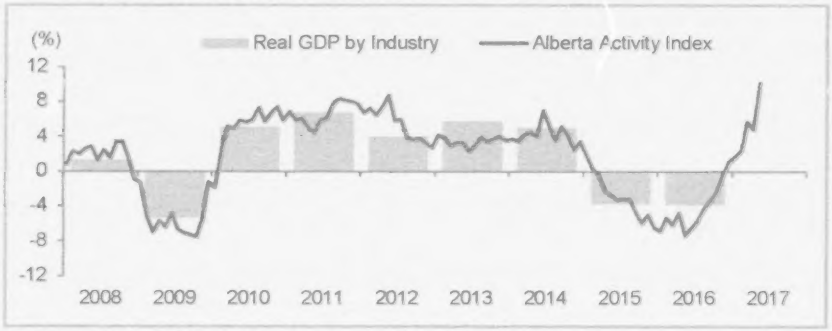
Unemployment Rate[1]

Alberta's unemployment rate increased 0.4 percentage points to 7.8% in July. Canada's unemployment rate ticked down 0.2 percentage points to 6.3%.

Rigs Drilling

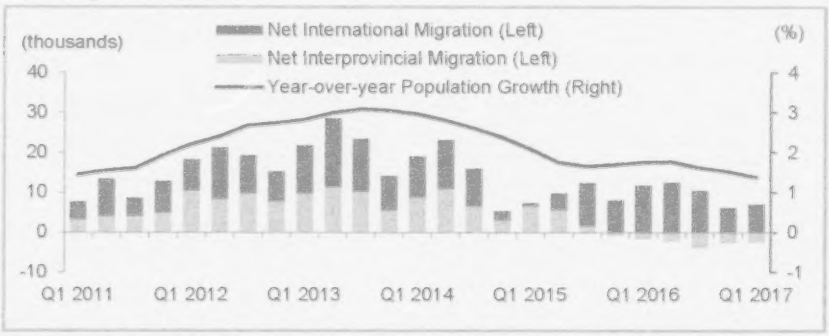
The number of active rigs in Alberta averaged 119 in July, 40% below the height of the winter drilling season in January but more than double the same month last year.

Economic Activity
Year-over-year % change



Sources: Statistics Canada and Alberta Treasury Board and Finance

Demographics
Quarterly



Source: Statistics Canada

Labour Market
Monthly

Source: Statistics Canada

Alberta Government

August 25, 2017
Treasury Board and Finance
Economics and Revenue Forecasting

Inflation

The Alberta Consumer Price Index (CPI) rose 1.0% y/y in July, up from 0.4% in June, as energy prices increased. The Canadian inflation rate also ticked up in July to 1.2%.

Average Weekly Earnings[1]

Average weekly earnings (AWE) in Alberta fell by 0.4% in May to $1,120, with both goods (-1.4% m/m) and service sector earnings (-0.1% m/m) declining.

NEW: Retail Sales[1]

Alberta retail sales increased by 1.0% m/m to $6.9 billion in June. Retail sales grew 10.5% y/y, the seventh consecutive month of year-over-year gains.

Housing Starts[1]

Alberta housing starts were up 8.1% m/m in July to 33,535 units (annualized). Housing starts increased 31% y/y. Single-family starts rose 43% y/y and multi-family starts were up 27% y/y.

New Housing Price Index

Alberta's New Housing Price Index (NHPI) edged down 0.1% in June and was down 0.4% y/y. The house-only component was down 0.6% y/y, while land prices were unchanged from the year prior.

Building Permits[1]

Alberta building permits were down 8.0% m/m in June to $1.1 billion. Building permits were up 10% y/y. Non-residential permits dropped 7.9% y/y and residential permits increased 23% y/y.

[1] Seasonally adjusted

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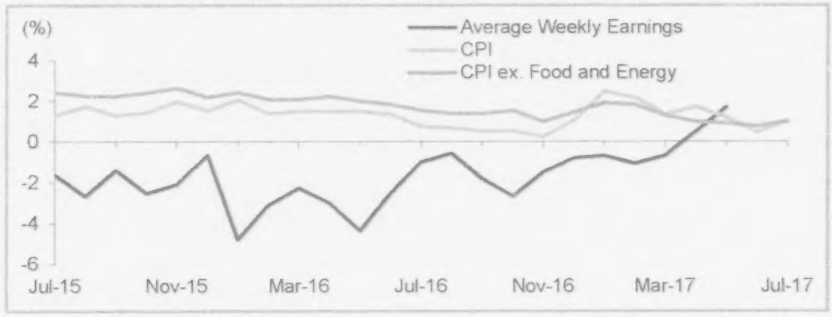
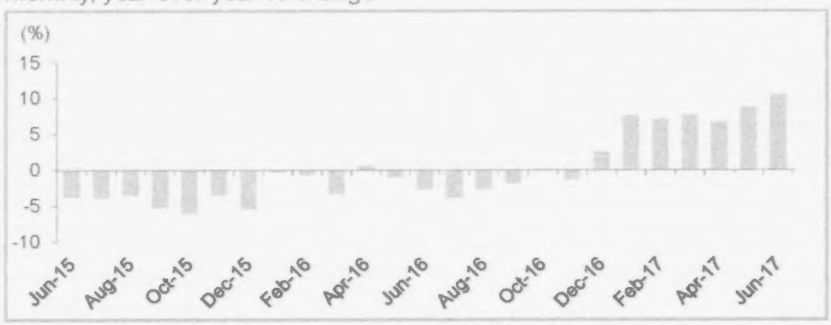
Inflation and Earnings
Monthly, year-over-year % change



Source: Statistics Canada

Retail Sales
Monthly, year-over-year % change



Source: Statistics Canada

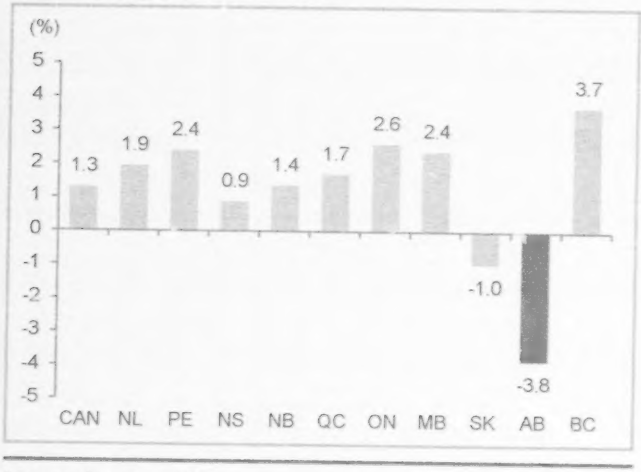
Housing Market
Monthly

Source: Statistics Canada, Canada Mortgage and Housing Corporation

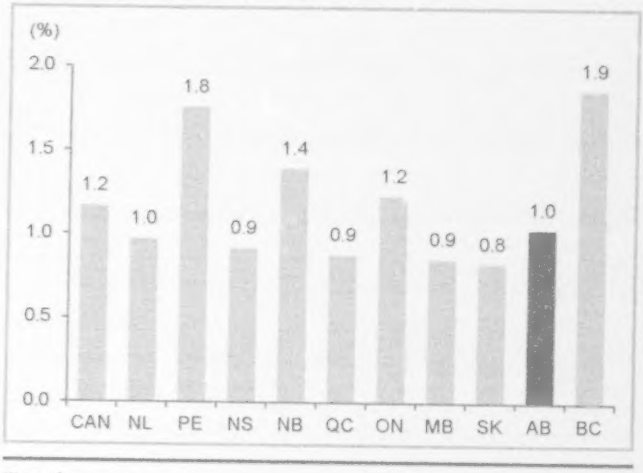
	Canadian Dollar (US¢/$CAN)	WTI Oil ($US/bbl)	NYMEX Natural Gas ($US/MMBtu)	Alberta Reference Price ($C/GJ)
Latest (August 24, 2017)	79.81	47.43	2.95	2.46 (May)
Fiscal year-to-date	76.14	47.90	3.06	2.40

Please see the *Weekly Economic Review* for current analysis on the Alberta economy.

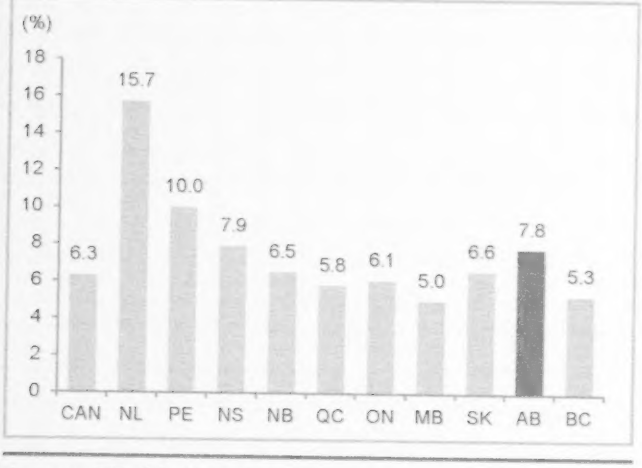
Real GDP by Industry
(2016, year-over-year growth)



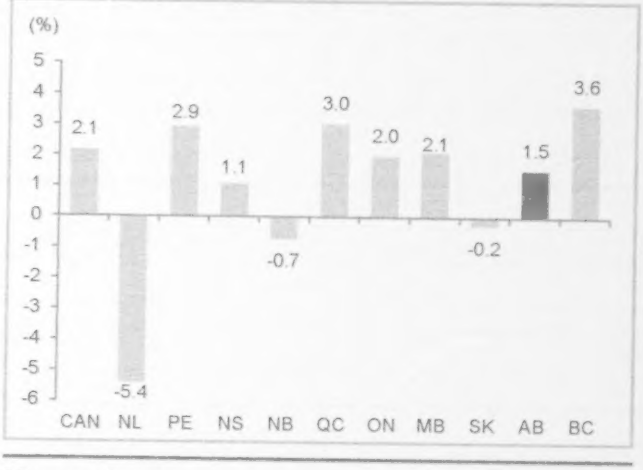
CPI Inflation
(July 2017, year-over-year growth)



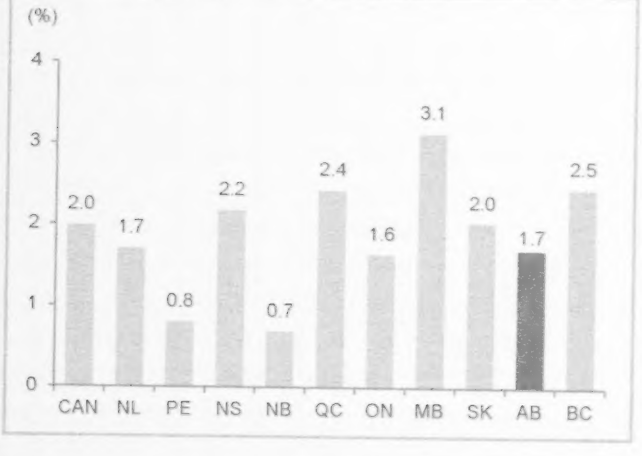
Unemployment Rate
(July 2017)



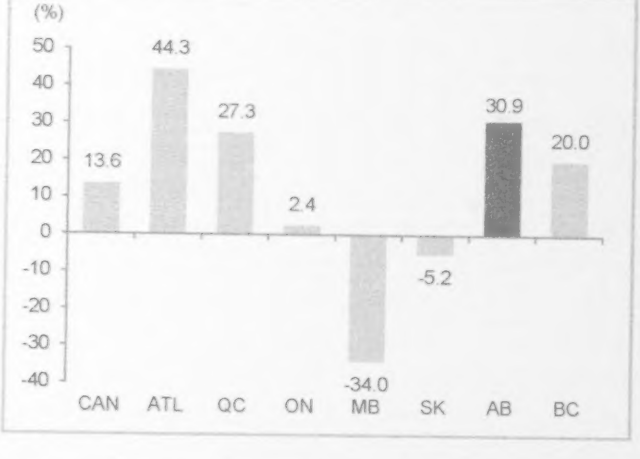
Employment
(July 2017, year-over-year growth)



Average Weekly Earnings
(May 2017, year-over-year growth)



Housing Starts
(July 2017, SAAR, year-over-year growth)



Alberta Economic Indicators

	2015	2016	2017YTD	Feb-17	Mar-17	Apr-17	May-17	Jun-17	Jul-17
Alberta Activity Index (y/y % change)	-3.0	-4.4	4.9	2.3	5.7	4.8	10.1		
Population[1]									
Population (thousands)	4,180	4,253	4,292			4,292			
y/y % change	1.7	1.8	1.4			1.4			
Net Interprovincial Migration	21,504	-2,877	-8,815			-2,392			
Net International Migration	16,743	43,041	23,657			7,085			
Labour Market									
Employment (thousands, SA)	2,301	2,264	2,284	2,269	2,289	2,289	2,291	2,299	2,284
m/m change (thousands)				1.3	20.4	0.3	2.1	7.5	-14.4
y/y % change	1.2	-1.6	0.8	-1.2	-0.1	0.8	1.8	2.2	1.5
Unemployment Rate (%, SA)	6.0	8.1	8.1	8.3	8.4	7.9	7.8	7.4	7.8
Participation Rate (%, SA)	73.0	72.5	72.6	72.5	73.1	72.7	72.5	72.4	72.2
Average Weekly Earnings ($, SA)	1,146	1,119	1,117	1,109	1,119	1,125	1,120		
y/y % change	0.3	-2.4	-0.1	1.1	0.7	0.5	1.7		
Household Sector									
NEW Retail Sales ($ million, SA)	76,019	75,110	40,364	6,674	6,654	6,716	6,799	6,866	
y/y % change	-4.0	-1.2	8.0	7.0	7.6	6.7	8.8	10.5	
New Vehicle Sales (units, thousands)	242	224	126	17	23	24	24	24	
y/y % change	-12.7	-7.6	12.4	5.4	15.1	15.0	17.2	14.2	
Consumer Price Index (y/y % change)	1.1	1.1	1.5	2.2	1.3	1.7	1.2	0.4	1.0
Excluding Food & Energy	2.3	1.7	1.2	1.8	1.3	1.0	0.9	0.7	1.0
Housing Starts (SAAR, 000's)	37.3	24.5	29.7	26.4	35.0	31.1	32.5	31.0	33.5
y/y % change	-6.1	-34.2	23.3	15.9	58.7	8.7	47.3	27.4	30.9
New Housing Price Index (y/y % change)	0.7	0.5	0.5	0.4	0.4	0.5	0.8	0.4	
Resale Home Sales	56,225	51,959	33,001	4,974	4,790	4,814	4,545	4,610	4,514
y/y % change	-21.3	-7.6	10.0	21.7	13.8	10.0	4.5	3.1	0.6
Sales to New Listing Ratio	0.52	0.49	0.50	0.57	0.52	0.51	0.45	0.45	0.46
MLS Average Resale Prices ($ thousands)	394	395	398	390	402	401	402	402	396
y/y % change	-1.9	0.4	2.0	1.0	4.0	2.6	2.3	3.2	-1.6
Consumer Bankruptcies (level)	4,280	5,427	2,188	426	504	407	460		
y/y % change	10.9	26.8	-7.6	-11.8	-2.1	-18.6	4.2		
Business Sector									
Goods Exports (customs based,$ million)	92,441	78,834	51,226	8,192	9,230	8,214	8,918	8,169	
y/y % change	-24.0	-14.7	42.7	40.2	61.8	52.8	59.8	31.1	
Energy Products ($ million)	62,500	51,468	35,951	6,041	6,377	5,556	6,204	5,611	
y/y% change	-31.5	-17.7	61.1	64.8	91.9	78.2	83.1	38.3	
Agricultural Products ($ million)	6,474	6,283	3,759	527	696	615	710	582	
y/y % change	0.2	-3.0	18.1	8.1	22.3	0.2	39.2	17.3	
Rigs Drilling	120	79	127	188	148	85	61	87	119
y/y% change	-52.6	-34.0	105.7	67.0	227.6	193.9	143.7	112.8	103.6
Manufacturing Shipments ($ million, SA)	68,483	62,560	35,219	5,739	5,870	5,954	6,069	5,946	
y/y% change	-13.9	-8.6	15.4	16.3	17.5	14.9	18.0	12.9	
NEW Wholesale Trade ($ million, SA)	79,380	71,765	38,793	6,361	6,459	6,461	6,774	6,521	
y/y% change	-6.3	-9.6	7.8	6.2	8.5	9.0	16.5	8.7	
Building Permits ($ million, SA)	16,753	14,200	6,720	1,117	1,112	1,002	1,181	1,087	
y/y% change	8.2	-15.2	2.0	22.1	10.0	-21.7	15.9	9.7	
Residential Permits ($ million, SA)	9,876	7,930	4,096	661	695	662	749	703	
y/y % change	8.8	-19.7	13.7	1.7	36.7	1.8	34.1	22.5	
Non-Residential Permits ($ million, SA)	6,877	6,270	2,624	456	417	340	432	384	
y/y% change	7.4	-8.8	19.3	41.8	17.1	-43.8	-6.3	-7.9	
Non-Res Building Const Price Index[2] (y/y % change)	-0.7	-2.8	-0.1		-0.9			0.7	

[1] Population data presented on a census year basis (July 1– June 30). The current census year 2017.

[2] Quarterly, average of Calgary and Edmonton

YTD YTD (year-to-date). "SA" denotes seasonally adjusted. "SAAR" denotes seasonally adjusted at annual rate.

Sources: All data is from Statistics Canada except the Alberta Activity Index (Alberta Treasury Board and Finance), Housing Starts (Canada Mortgage and Housing Corporation), MLS Average Resale Prices (Canadian Real Estate Association), Rigs Drilling (Canadian Association of Oilwell Drilling Contractors) and Bankruptcies (Office of the Superintendent of Bankruptcy Canada).All historical data are subject to revision